REMARKS

This response is to the Office Letter mailed in the above-referenced case on September 27, 2005. Claims 1-24 and 26-34 are presented for examination. The Examiner has rejected claims 1-2, 8, 12-14 and 23-28 under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 5,948,061 ("Merriman") in view of U.S. Patent No. 6,393,407 ("Middleton"). Claims 15-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rakavy in view of Middleton. Claims 3 and 6-7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Merriman in view Middleton and further in view of Worley. Claims 4-5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Merriman in view Middleton and further in view of Angles. Claims 9 and 34 are rejected under 35 U.S.C. 103(a) as being unpatentable over Merriman in view of Middleton and further in view of Ravashetti (US 6,230,199) hereinafter Ravashetti. Claims 10-11 and 33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Merriman in view of to Middleton and further in view of Houri. Claims 29-32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Merriman in view Middleton and further in view of Ravaky.

Applicant has again carefully studied the prior art presented by the Examiner, and has reviewed the Examiner's rejections, references and comments. Applicant herein amends the independent claims to particularly point out that the system of the present invention is capable of tracking any or all user navigation occurring on the Internet or data packet network, which includes web pages that do not have advertising. Applicant argues the patentability of the claims, as amended, over the prior art newly presented by the Examiner.

Regarding claims 1, 15 and 23, applicant herein amends the claims to attempt to clarify to the Examiner that in applicant's invention it is possible that <u>any</u> and/or <u>all</u> navigation that takes place on the network by the user can be tracked, stored and individual user profiles generated there from.

The Examiner has stated that the reference of Merriman discloses substantially all of the limitations of applicant's claim, with the exception that Merriman fails to specifically disclose an instance of software residing on the first server for recording any user activity data routed through the first server including at least transaction activity occurring at destination websites. The Examiner has relied on the reference of Middleton to teach this deficiency in the new grounds for rejection.

The Examiner contends that Middleton teaches a Java applet residing on the client's browser (first server) for tracking (recording) any user activity data routed through the first server including at least transaction activity occurring at destination Web pages (col. 5 lines 1-22) for the purpose of enabling advertiser to obtain information about what interests the user without the user having to leave the originally displayed Web page or performing other tasks.

Applicant strongly disagrees with the Examiner's interpretations of the teaching of Middleton. Middleton specifically teaches upon the user navigating to a specific sponsored Web page, a java applet is downloaded to the user's browser to track only the navigation occurring with items related to an advertisement on that Web page. Once the user exits the Web page the tracking ceases and the applet transfers the information to a remote server (col. 3, line 62 through to col. 4, line 28). **If the user in Middleman navigated to a Web page with no advertisements, then no tracking of user navigation would take place.**

Applicant argues that the references of Merriman and Middleton cannot properly be combined because Middleton's software does not reside at a first server node connected to a data packet network functioning as a user access point on the network. Middleton's applet is restricted to specific Web pages; therefore, tracking does not occur unless the user happens to navigate to a sponsored Web page having advertisements to be tracked connected with the applet. Therefore, Middleton teaches away from applicant's invention and the combination of Middleton and Merriman could not possibly achieve all of the claimed limitations of applicant's invention.

As previously argued, Middleton does not teach an instance of software residing

on the first server (applicant's first interface node) for recording any user activity data routed through the first server including at least transaction activity occurring at destination websites. Middleton teaches that the interactions that are tracked are simply user interactions in the advertisement, specifically, user activities with respect to hypertext objects within the advertisement, such as in state **108**, Fig. 2, the fact that the user's mouse hovered near or over an element in the advertisement, or the fact that the user clicked on an element in the advertisement. Middleton further teaches in state 114 that certain items pertaining to cursor location and activity may be tracked and teaches in state 116 that the fact of the user requesting a different web page, based on interacting with said advertisement is also tracked. Applicant argues that the above teaching does not read on applicant's specific limitation of recording any user activity data routed through the first server including, at least, transaction activity occurring at destination websites, as recited in the independent claims. Middleton does not teach monitoring user transaction activity at all, rather; Middleton simply teaches tracking the user's mouse activity, cursor position, and so on when interacting with hypertext elements of a sponsored advertisement.

Applicant's invention, on the other hand, teaches far beyond the capabilities of the inventions of the combined prior art. Applicant's invention teaches and claims recording actual transactions at Web sites freely navigated to and visited by the user. Applicant stresses that the user's activity can be tracked no matter where the user navigates to. Online behavior of the user is compiled using the user-activity and server-activity data, which is collected and analyze in order to compile an all inclusive online behavior profile, and it is the stored and constantly updated online behavior profile of the user that determines the targeting of the advertisements.

In Middleton the advertisement targeting is not determined by the stored and constantly updated user profile as in applicant's invention, rather; the targeting in Middleton is determined by outside affiliated advertisers, accessed by the user via the Internet browser, and then the only tracking of user data which occurs is the user's interaction with the advertisement, not navigational and transaction activity occurring at Web sites, as in

applicant's invention and claims

Applicant believes that claims 1, 15 and 23, as amended, are clearly patentable over the art presented by the Examiner, either singly or in combination. Claims 2-14, 16-21, and 26-34 are patentable on their own merits, or at least as depended from a patentable claim. Claims 22 and 24 are herein canceled.

It is therefore respectfully requested that this application be reconsidered, the claims be allowed, and that this case be passed quickly to issue. If there are any time extensions needed beyond any extension specifically requested with this amendment, such extension of time is hereby requested. If there are any fees due beyond any fees paid with this amendment, authorization is given to deduct such fees from deposit account 50-0534.

Respectfully Submitted,
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